

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE MIDDLE DISTRICT OF TENNESSEE  
NASHVILLE DIVISION**

|  |   |                         |
|--|---|-------------------------|
| In re:   | ) |                         |
|  | ) |                         |
| VANGUARD HEALTHCARE, LLC, <i>et al.</i> , <sup>1</sup> | ) | Case No. 16-03296       |
| Six Cadillac Dr., Suite 310                            | ) | Chapter 11              |
| Brentwood, TN 37027                                    | ) | Judge Mashburn          |
| Debtors.   | ) |                         |
|  | ) | Jointly Administrated   |
|  |   | Hearing: March 28, 2017 |

**PRETRIAL STATEMENT REGARDING CONFIRMATION OF DEBTORS'  
AMENDED JOINT PLAN OF REORGANIZATION**

The Debtors submit this Pretrial Statement in support of their First Amended Plan of Reorganization dated February 14, 2017 (the "Amended Plan") (Docket No. 967) for the pretrial hearing scheduled on March 28, 2017.

Objections and/or reservations of rights to the Amended Plan were filed by the following parties:

1. U.S. Trustee (Docket No. 1143 and amended at 1196)
2. AmerisourceBergen Drug-Corporation (Docket No. 1158)
3. CCP Mustang Holdings LLC (Docket No. 1159)
4. Kirk Hebert (Docket No. 1162)
5. Consolidated Medical Staffing(Docket No. 1164)
6. Signature Entities (Docket No. 1165)

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<sup>1</sup> The Debtors in these cases, along with the last four digits of each Debtor's federal tax identification number, are: Vanguard Healthcare, LLC (9650); Vanguard Healthcare Services, LLC (7563); Vanguard Financial Services, LLC (3403); Aurora Australis, LLC (7099); Boulevard Terrace, LLC (8709); Elderscript Services, LLC (4179); Eldercare of Jackson County, LLC (7855); Glen Oaks, LLC (8238); Palace RBS, LLC (9601); Shady Lawn, LLC (7397); Vanguard of Ashland, LLC (8367); Vanguard of Church Hill, LLC (1049); Vanguard of Crestview, LLC (1046); Vanguard of Manchester, LLC (6203); Vanguard of Memphis, LLC (4623); Vanguard of Ripley, LLC (1050); Vicksburg Convalescent, LLC (7298); and Whitehall OpCo, LLC (6186).

7. Kindred Nursing Centers East, LLC (Docket No. 1166)
8. United States and State of Tennessee (Docket No. 1167)
9. Official Committee of Unsecured Creditors (Docket No. 1168)
10. Medline Industries (Docket No. 1169)
11. Healthcare Financial Solutions (Docket No. 1170)

In preparation for the hearings previously scheduled by the Court in the Order Approving Disclosure Statement entered February 16, 2017 (Docket No. 972), the Debtors' submit the following:

### **Summary of Voting**

1. Attached hereto as Exhibit A is the Declaration of Terri Marshall at BMC Group, the noticing agent for the Debtors in these Chapter 11 cases. The Ballots submitted by creditors were due March 17, 2017 and have been counted pursuant to the rules set forth in the Debtors' Disclosure Statement. As a result of the voting, at least one impaired Class has voted in favor of the Joint Plan, with the exception of two cases, Vanguard Healthcare Services, LLC and Vanguard Financial Services, LLC. Since these two Debtors are not operating entities, have nominal assets and limited creditors, the failure of these plans are not critical to the feasibility of the remaining plans.

2. Based on the Declaration, the ballots received are summarized for each Debtor as follows:

| Vanguard Healthcare, LLC Case No. 16-03296                                |  |                  |                            |                  |                          |
|---|--|------------------|----------------------------|------------------|--------------------------|
| IMPAIRED<br>CLASS AND DESCRIPTION   |  | ACCEPT           |                            | REJECT           |                          |
|   |  | VOTES<br>COUNTED | AMOUNT                     | VOTES<br>COUNTED | AMOUNT                   |
| Class 1 Secured Claim of Healthcare Financial Solutions, LLC              |  | 1<br>100.00%     | \$79,000,000.00<br>100.00% | 0<br>0.00%       | \$0.00<br>0.00%          |
| Class 2 Secured Claim of AmerisourceBergen                                |  | 0<br>0.00%       | \$0.00<br>0.00%            | 0<br>0.00%       | \$0.00<br>0.00%          |
| Class 3 Claims of Department of Health and Human Services<br>and TennCare |  | 0<br>0.00%       | \$0.00<br>0.00%            | 0<br>0.00%       | \$0.00<br>0.00%          |
| Class 4 Personal Injury Claims  |  | 0<br>0.00%       | \$0.00<br>0.00%            | 0<br>0.00%       | \$0.00<br>0.00%          |
| Class 5 Unsecured Claims  |  | 7<br>77.78%      | \$907,662.64<br>31.36%     | 2<br>22.22%      | \$1,986,588.03<br>68.64% |
| Vanguard Healthcare Services, LLC Case No. 16-03297                       |  |                  |                            |                  |                          |
| IMPAIRED<br>CLASS AND DESCRIPTION   |  | ACCEPT           |                            | REJECT           |                          |
|   |  | VOTES<br>COUNTED | AMOUNT                     | VOTES<br>COUNTED | AMOUNT                   |
| Class 1 Secured Claim of Healthcare Financial Solutions, LLC              |  | 0<br>0.00%       | \$0.00<br>0.00%            | 0<br>0.00%       | \$0.00<br>0.00%          |
| Class 2 Secured Claim of AmerisourceBergen                                |  | 0<br>0.00%       | \$0.00<br>0.00%            | 0<br>0.00%       | \$0.00<br>0.00%          |
| Class 3 Claims of Department of Health and Human Services<br>and TennCare |  | 0<br>0.00%       | \$0.00<br>0.00%            | 0<br>0.00%       | \$0.00<br>0.00%          |
| Class 4 Personal Injury Claims  |  | 0<br>0.00%       | \$0.00<br>0.00%            | 0<br>0.00%       | \$0.00<br>0.00%          |
| Class 5 Unsecured Claims  |  | 2<br>28.57%      | \$1,616.90<br>0.32%        | 5<br>71.43%      | \$507,688.88<br>99.68%   |
| Vanguard Financial Services, LLC Case No. 16-03298                        |  |                  |                            |                  |                          |
| IMPAIRED<br>CLASS AND DESCRIPTION   |  | ACCEPT           |                            | REJECT           |                          |
|   |  | VOTES<br>COUNTED | AMOUNT                     | VOTES<br>COUNTED | AMOUNT                   |
| Class 1 Secured Claim of Healthcare Financial Solutions, LLC              |  | 0<br>0.00%       | \$0.00<br>0.00%            | 0<br>0.00%       | \$0.00<br>0.00%          |
| Class 2 Secured Claim of AmerisourceBergen                                |  | 0<br>0.00%       | \$0.00<br>0.00%            | 0<br>0.00%       | \$0.00<br>0.00%          |
| Class 3 Claims of Department of Health and Human Services<br>and TennCare |  | 0<br>0.00%       | \$0.00<br>0.00%            | 0<br>0.00%       | \$0.00<br>0.00%          |
| Class 4 Personal Injury Claims  |  | 0<br>0.00%       | \$0.00<br>0.00%            | 0<br>0.00%       | \$0.00<br>0.00%          |

|   |                          |                            |                          |                        |
|---|--------------------------|----------------------------|--------------------------|------------------------|
| Class 5 Unsecured Claims  | 2<br>66.67%              | \$33,827.59<br>59.69%      | 1<br>33.33%              | \$22,842.49<br>40.31%  |
| <b>Aurora Australis, LLC Case No. 16-03300</b>                            |                          |                            |                          |                        |
| <b>IMPAIRED<br/>CLASS AND DESCRIPTION</b>                                 | <b>ACCEPT</b>            |                            | <b>REJECT</b>            |                        |
|   | <b>VOTES<br/>COUNTED</b> | <b>AMOUNT</b>              | <b>VOTES<br/>COUNTED</b> | <b>AMOUNT</b>          |
| Class 1 Secured Claim of Healthcare Financial Solutions, LLC              | 1<br>100.00%             | \$79,000,000.00<br>100.00% | 0<br>0.00%               | \$0.00<br>0.00%        |
| Class 2 Secured Claim of AmerisourceBergen                                | 0<br>0.00%               | \$0.00<br>0.00%            | 0<br>0.00%               | \$0.00<br>0.00%        |
| Class 3 Claims of Department of Health and Human Services<br>and TennCare | 0<br>0.00%               | \$0.00<br>0.00%            | 0<br>0.00%               | \$0.00<br>0.00%        |
| Class 4 Personal Injury Claims  | 0<br>0.00%               | \$0.00<br>0.00%            | 0<br>0.00%               | \$0.00<br>0.00%        |
| Class 5 Unsecured Claims  | 10<br>71.43%             | \$151,587.90<br>51.15%     | 4<br>28.57%              | \$144,762.06<br>48.85% |
| <b>Boulevard Terrace, LLC Case No. 16-03302</b>                           |                          |                            |                          |                        |
| <b>IMPAIRED<br/>CLASS AND DESCRIPTION</b>                                 | <b>ACCEPT</b>            |                            | <b>REJECT</b>            |                        |
|   | <b>VOTES<br/>COUNTED</b> | <b>AMOUNT</b>              | <b>VOTES<br/>COUNTED</b> | <b>AMOUNT</b>          |
| Class 1 Secured Claim of Healthcare Financial Solutions, LLC              | 1<br>100.00%             | \$79,000,000.00<br>100.00% | 0<br>0.00%               | \$0.00<br>0.00%        |
| Class 2 Secured Claim of AmerisourceBergen                                | 0<br>0.00%               | \$0.00<br>0.00%            | 0<br>0.00%               | \$0.00<br>0.00%        |
| Class 3 Claims of Department of Health and Human Services<br>and TennCare | 0<br>0.00%               | \$0.00<br>0.00%            | 0<br>0.00%               | \$0.00<br>0.00%        |
| Class 4 Personal Injury Claims  | 0<br>0.00%               | \$0.00<br>0.00%            | 0<br>0.00%               | \$0.00<br>0.00%        |
| Class 5 Unsecured Claims  | 3<br>60.00%              | \$82,830.32<br>45.76%      | 2<br>40.00%              | \$98,189.26<br>54.24%  |
| <b>Eldercare of Jackson County, LLC Case No. 16-03308</b>                 |                          |                            |                          |                        |
| <b>IMPAIRED<br/>CLASS AND DESCRIPTION</b>                                 | <b>ACCEPT</b>            |                            | <b>REJECT</b>            |                        |
|   | <b>VOTES<br/>COUNTED</b> | <b>AMOUNT</b>              | <b>VOTES<br/>COUNTED</b> | <b>AMOUNT</b>          |
| Class 1 Secured Claim of Healthcare Financial Solutions, LLC              | 1<br>100.00%             | \$79,000,000.00<br>100.00% | 0<br>0.00%               | \$0.00<br>0.00%        |
| Class 2 Secured Claim of AmerisourceBergen                                | 0<br>0.00%               | \$0.00<br>0.00%            | 0<br>0.00%               | \$0.00<br>0.00%        |
| Class 3 Claims of Department of Health and Human Services<br>and TennCare | 0<br>0.00%               | \$0.00<br>0.00%            | 0<br>0.00%               | \$0.00<br>0.00%        |

|   |                          |                            |                          |                        |
|---|--------------------------|----------------------------|--------------------------|------------------------|
| Class 4 Personal Injury Claims  | 0<br>0.00%               | \$0.00<br>0.00%            | 0<br>0.00%               | \$0.00<br>0.00%        |
| Class 5 Unsecured Claims  | 6<br>60.00%              | \$166,367.32<br>55.53%     | 4<br>40.00%              | \$133,228.74<br>44.47% |
| <b>Elderscript Services, LLC Case No. 16-03306</b>                        |                          |                            |                          |                        |
| <b>IMPAIRED<br/>CLASS AND DESCRIPTION</b>                                 | <b>ACCEPT</b>            |                            | <b>REJECT</b>            |                        |
|   | <b>VOTES<br/>COUNTED</b> | <b>AMOUNT</b>              | <b>VOTES<br/>COUNTED</b> | <b>AMOUNT</b>          |
| Class 1 Secured Claim of Healthcare Financial Solutions, LLC              | 1<br>100.00%             | \$79,000,000.00<br>100.00% | 0<br>0.00%               | \$0.00<br>0.00%        |
| Class 2 Secured Claim of AmerisourceBergen                                | 0<br>0.00%               | \$0.00<br>0.00%            | 0<br>0.00%               | \$0.00<br>0.00%        |
| Class 3 Claims of Department of Health and Human Services<br>and TennCare | 0<br>0.00%               | \$0.00<br>0.00%            | 0<br>0.00%               | \$0.00<br>0.00%        |
| Class 4 Personal Injury Claims  | 0<br>0.00%               | \$0.00<br>0.00%            | 0<br>0.00%               | \$0.00<br>0.00%        |
| Class 5 Unsecured Claims  | 0<br>0.00%               | \$0.00<br>0.00%            | 0<br>0.00%               | \$0.00<br>0.00%        |
| <b>Glen Oaks, LLC Case No. 16-03310</b>                                   |                          |                            |                          |                        |
| <b>IMPAIRED<br/>CLASS AND DESCRIPTION</b>                                 | <b>ACCEPT</b>            |                            | <b>REJECT</b>            |                        |
|   | <b>VOTES<br/>COUNTED</b> | <b>AMOUNT</b>              | <b>VOTES<br/>COUNTED</b> | <b>AMOUNT</b>          |
| Class 1 Secured Claim of Healthcare Financial Solutions, LLC              | 1<br>100.00%             | \$79,000,000.00<br>100.00% | 0<br>0.00%               | \$0.00<br>0.00%        |
| Class 2 Secured Claim of AmerisourceBergen                                | 0<br>0.00%               | \$0.00<br>0.00%            | 0<br>0.00%               | \$0.00<br>0.00%        |
| Class 3 Claims of Department of Health and Human Services<br>and TennCare | 0<br>0.00%               | \$0.00<br>0.00%            | 0<br>0.00%               | \$0.00<br>0.00%        |
| Class 4 Personal Injury Claims  | 0<br>0.00%               | \$0.00<br>0.00%            | 0<br>0.00%               | \$0.00<br>0.00%        |
| Class 5 Unsecured Claims  | 4<br>57.14%              | \$102,312.80<br>47.58%     | 3<br>42.86%              | \$112,717.03<br>52.42% |
| <b>Palace RBS, LLC Case No. 16-03312</b>                                  |                          |                            |                          |                        |
| <b>IMPAIRED<br/>CLASS AND DESCRIPTION</b>                                 | <b>ACCEPT</b>            |                            | <b>REJECT</b>            |                        |
|   | <b>VOTES<br/>COUNTED</b> | <b>AMOUNT</b>              | <b>VOTES<br/>COUNTED</b> | <b>AMOUNT</b>          |
| Class 1 Secured Claim of Healthcare Financial Solutions, LLC              | 1<br>100.00%             | \$79,000,000.00<br>100.00% | 0<br>0.00%               | \$0.00<br>0.00%        |
| Class 2 Secured Claim of AmerisourceBergen                                | 0<br>0.00%               | \$0.00<br>0.00%            | 0<br>0.00%               | \$0.00<br>0.00%        |

|  |                          |                            |                          |                        |
|--|--------------------------|----------------------------|--------------------------|------------------------|
| Class 3 Claims of Department of Health and Human Services and TennCare | 0<br>0.00%               | \$0.00<br>0.00%            | 0<br>0.00%               | \$0.00<br>0.00%        |
| Class 4 Personal Injury Claims   | 0<br>0.00%               | \$0.00<br>0.00%            | 0<br>0.00%               | \$0.00<br>0.00%        |
| Class 5 Unsecured Claims   | 5<br>62.50%              | \$160,918.39<br>89.82%     | 3<br>37.50%              | \$18,234.01<br>10.18%  |
| <b>Shady Lawn, LLC Case No. 16-03313</b>                               |                          |                            |                          |                        |
| <b>IMPAIRED<br/>CLASS AND DESCRIPTION</b>                              | <b>ACCEPT</b>            |                            | <b>REJECT</b>            |                        |
|  | <b>VOTES<br/>COUNTED</b> | <b>AMOUNT</b>              | <b>VOTES<br/>COUNTED</b> | <b>AMOUNT</b>          |
| Class 1 Secured Claim of Healthcare Financial Solutions, LLC           | 1<br>100.00%             | \$79,000,000.00<br>100.00% | 0<br>0.00%               | \$0.00<br>0.00%        |
| Class 2 Secured Claim of AmerisourceBergen                             | 0<br>0.00%               | \$0.00<br>0.00%            | 0<br>0.00%               | \$0.00<br>0.00%        |
| Class 3 Claims of Department of Health and Human Services and TennCare | 0<br>0.00%               | \$0.00<br>0.00%            | 0<br>0.00%               | \$0.00<br>0.00%        |
| Class 4 Personal Injury Claims   | 0<br>0.00%               | \$0.00<br>0.00%            | 0<br>0.00%               | \$0.00<br>0.00%        |
| Class 5 Unsecured Claims   | 4<br>50.00%              | \$85,191.09<br>40.46%      | 4<br>50.00%              | \$125,349.82<br>59.54% |
| <b>Vanguard of Ashland, LLC Case No. 16-03314</b>                      |                          |                            |                          |                        |
| <b>IMPAIRED<br/>CLASS AND DESCRIPTION</b>                              | <b>ACCEPT</b>            |                            | <b>REJECT</b>            |                        |
|  | <b>VOTES<br/>COUNTED</b> | <b>AMOUNT</b>              | <b>VOTES<br/>COUNTED</b> | <b>AMOUNT</b>          |
| Class 1 Secured Claim of Healthcare Financial Solutions, LLC           | 1<br>100.00%             | \$79,000,000.00<br>100.00% | 0<br>0.00%               | \$0.00<br>0.00%        |
| Class 2 Secured Claim of AmerisourceBergen                             | 0<br>0.00%               | \$0.00<br>0.00%            | 0<br>0.00%               | \$0.00<br>0.00%        |
| Class 3 Claims of Department of Health and Human Services and TennCare | 0<br>0.00%               | \$0.00<br>0.00%            | 0<br>0.00%               | \$0.00<br>0.00%        |
| Class 4 Personal Injury Claims   | 0<br>0.00%               | \$0.00<br>0.00%            | 0<br>0.00%               | \$0.00<br>0.00%        |
| Class 5 Unsecured Claims   | 3<br>60.00%              | \$96,666.70<br>60.47%      | 2<br>40.00%              | \$63,179.91<br>39.53%  |
| <b>Vanguard of Church Hill, LLC Case No. 16-03315</b>                  |                          |                            |                          |                        |
| <b>IMPAIRED<br/>CLASS AND DESCRIPTION</b>                              | <b>ACCEPT</b>            |                            | <b>REJECT</b>            |                        |
|  | <b>VOTES<br/>COUNTED</b> | <b>AMOUNT</b>              | <b>VOTES<br/>COUNTED</b> | <b>AMOUNT</b>          |
| Class 1 Secured Claim of Healthcare Financial Solutions, LLC           | 1<br>100.00%             | \$79,000,000.00<br>100.00% | 0<br>0.00%               | \$0.00<br>0.00%        |

| Class 2 Secured Claim of AmerisourceBergen                             | 0<br>0.00%       | \$0.00<br>0.00%            | 0<br>0.00%       | \$0.00<br>0.00%        |
|--|------------------|----------------------------|------------------|------------------------|
| Class 3 Claims of Department of Health and Human Services and TennCare | 0<br>0.00%       | \$0.00<br>0.00%            | 0<br>0.00%       | \$0.00<br>0.00%        |
| Class 4 Personal Injury Claims   | 0<br>0.00%       | \$0.00<br>0.00%            | 0<br>0.00%       | \$0.00<br>0.00%        |
| Class 5 Unsecured Claims   | 12<br>70.59%     | \$163,680.85<br>52.99%     | 5<br>29.41%      | \$145,217.78<br>47.01% |
| <b>Vanguard of Manchester, LLC Case No. 16-03317</b>                   |                  |                            |                  |                        |
| IMPAIRED<br>CLASS AND DESCRIPTION                                      | ACCEPT           |                            | REJECT           |                        |
|  | VOTES<br>COUNTED | AMOUNT                     | VOTES<br>COUNTED | AMOUNT                 |
| Class 1 Secured Claim of Healthcare Financial Solutions, LLC           | 1<br>100.00%     | \$79,000,000.00<br>100.00% | 0<br>0.00%       | \$0.00<br>0.00%        |
| Class 2 Secured Claim of AmerisourceBergen                             | 0<br>0.00%       | \$0.00<br>0.00%            | 0<br>0.00%       | \$0.00<br>0.00%        |
| Class 3 Claims of Department of Health and Human Services and TennCare | 0<br>0.00%       | \$0.00<br>0.00%            | 0<br>0.00%       | \$0.00<br>0.00%        |
| Class 4 Personal Injury Claims   | 1<br>100.00%     | \$1.00<br>100.00%          | 0<br>0.00%       | \$0.00<br>0.00%        |
| Class 5 Unsecured Claims   | 9<br>75.00%      | \$210,451.34<br>66.05%     | 3<br>25.00%      | \$108,176.73<br>33.95% |
| <b>Vanguard of Ripley, LLC Case No. 16-03319</b>                       |                  |                            |                  |                        |
| IMPAIRED<br>CLASS AND DESCRIPTION                                      | ACCEPT           |                            | REJECT           |                        |
|  | VOTES<br>COUNTED | AMOUNT                     | VOTES<br>COUNTED | AMOUNT                 |
| Class 1 Secured Claim of Healthcare Financial Solutions, LLC           | 1<br>100.00%     | \$79,000,000.00<br>100.00% | 0<br>0.00%       | \$0.00<br>0.00%        |
| Class 2 Secured Claim of AmerisourceBergen                             | 0<br>0.00%       | \$0.00<br>0.00%            | 0<br>0.00%       | \$0.00<br>0.00%        |
| Class 3 Claims of Department of Health and Human Services and TennCare | 0<br>0.00%       | \$0.00<br>0.00%            | 0<br>0.00%       | \$0.00<br>0.00%        |
| Class 4 Personal Injury Claims   | 0<br>0.00%       | \$0.00<br>0.00%            | 0<br>0.00%       | \$0.00<br>0.00%        |
| Class 5 Unsecured Claims   | 8<br>80.00%      | \$181,720.10<br>78.92%     | 2<br>20.00%      | \$48,532.49<br>21.08%  |
| <b>Vicksburg Convalescent, LLC Case No. 16-03321</b>                   |                  |                            |                  |                        |
| IMPAIRED<br>CLASS AND DESCRIPTION                                      | ACCEPT           |                            | REJECT           |                        |
|  | VOTES<br>COUNTED | AMOUNT                     | VOTES<br>COUNTED | AMOUNT                 |

|  |                          |                            |                          |                        |
|--|--------------------------|----------------------------|--------------------------|------------------------|
| Class 1 Secured Claim of Healthcare Financial Solutions, LLC           | 1<br>100.00%             | \$79,000,000.00<br>100.00% | 0<br>0.00%               | \$0.00<br>0.00%        |
| Class 2 Secured Claim of AmerisourceBergen                             | 0<br>0.00%               | \$0.00<br>0.00%            | 0<br>0.00%               | \$0.00<br>0.00%        |
| Class 3 Claims of Department of Health and Human Services and TennCare | 0<br>0.00%               | \$0.00<br>0.00%            | 0<br>0.00%               | \$0.00<br>0.00%        |
| Class 4 Personal Injury Claims   | 0<br>0.00%               | \$0.00<br>0.00%            | 0<br>0.00%               | \$0.00<br>0.00%        |
| Class 5 Unsecured Claims   | 8<br>80.00%              | \$93,140.57<br>53.86%      | 2<br>20.00%              | \$79,778.16<br>46.14%  |
| <b>Whitehall OpCo, LLC Case No. 16-03322</b>                           |                          |                            |                          |                        |
| <b>IMPAIRED<br/>CLASS AND DESCRIPTION</b>                              | <b>ACCEPT</b>            |                            | <b>REJECT</b>            |                        |
|  | <b>VOTES<br/>COUNTED</b> | <b>AMOUNT</b>              | <b>VOTES<br/>COUNTED</b> | <b>AMOUNT</b>          |
| Class 1 Secured Claim of Healthcare Financial Solutions, LLC           | 1<br>100.00%             | \$79,000,000.00<br>100.00% | 0<br>0.00%               | \$0.00<br>0.00%        |
| Class 2 Secured Claim of AmerisourceBergen                             | 0<br>0.00%               | \$0.00<br>0.00%            | 0<br>0.00%               | \$0.00<br>0.00%        |
| Class 3 Claims of Department of Health and Human Services and TennCare | 0<br>0.00%               | \$0.00<br>0.00%            | 0<br>0.00%               | \$0.00<br>0.00%        |
| Class 4 Personal Injury Claims   | 0<br>0.00%               | \$0.00<br>0.00%            | 0<br>0.00%               | \$0.00<br>0.00%        |
| Class 5 Unsecured Claims   | 11<br>78.57%             | \$596,904.68<br>84.81%     | 3<br>21.43%              | \$106,905.76<br>15.19% |

### Summary of Objections

In response to some of the objections, the Debtors intend to further amend their Joint Plan with the changes reflected on the Second Amended Plan of Reorganization, but anticipate that the following objections will be contested at the hearing on April 20, 2017.

1. Section 1129(a)(1) (Compliance with Title 11 raised by the U.S. Trustee, the United States, the State of Tennessee and CCP Mustang)
2. Section 1129(a)(3) (Good faith raised by the Committee<sup>2</sup>)

<sup>2</sup> Joinders with the Committee were filed by certain existing and former Committee members: Signature Entities, Kindred Nursing Centers East, LLC., Medline Industries, and Kirk Hebert.

3. Section 1129(a)(3) (Forbidden by law (28 U.S.C § 1930(a)(6)) raised by the U.S. Trustee)
4. Section 1129(a)(5) (Disclosure of directors and insiders raised by the U.S. Trustee)
5. Section 1129(a)(7) (Best interests of creditors raised by the Committee)
6. Section 1129(a)(11) (Feasibility raised by the Committee, the United States, and the State of Tennessee)
7. Section 1129(b)(2)(A) (Fair and equitable treatment of secured claim conditionally raised by AmerisourceBergen)
8. Section 1129(b)(2)(B) (Fair and equitable treatment of unsecured claim raised by the Committee, Consolidated Medical Staffing, the United States, the State of Tennessee and CCP Mustang)
9. Section 1129(b)(2)(B) (Unfair discrimination of unsecured claim raised by the Committee, the United States and the State of Tennessee)

### **Proposed Scheduling Order**

In preparation for the confirmation hearing scheduled on April 20, 2017, the Debtors' propose the scheduling order attached hereto as Exhibit B.

Respectfully Submitted,

/s/ William L. Norton III  
William L. Norton III (TN # 10075)  
James Bailey (pro hac vice)  
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### Certificate of Service

The undersigned hereby certifies that on the 27th day of March, 2017, the foregoing document was automatically served via the Court's electronic filing system to those parties registered to receive electronic filings in this case.

/s/ William L. Norton III